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# Broader anti-spy measures needed, Smith says

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Washington—The number of foreign intelligence agents operating in the United States has risen so sharply in recent years that expanded countermeasures are essential, Attorney General William French Smith said yesterday.

Mr. Smith, in the prepared text of a Los Angeles speech released in Washington, defended a controversial executive order signed two weeks ago by President Reagan that grants authority for the Central Intelligence Agency to infiltrate domestic organizations and use "special covert operations" to counter the activities of foreign agents.

Although he avoided specifics about the number of spies operating in the United States, Mr. Smith said: "At one time, the FBI could match suspected hostile intelligence agents ... on a one-to-one basis. Now, the number of hostile agents has grown so much that our FBI counterintelligence agents are greatly outnumbered."

Mr. Smith also said the type of information sought by foreign agents was increasingly difficult to protect because much of it was unclassified or, even if classified, was widely distributed to private firms working on defense contracts.

"Hostile intelligence services have placed a high priority on scientific and technical information," he said. "The 'Silicon Valley' [a concentration of high-technology firms on the western shore of San Francisco Bay] and the Southern California defense contractors ... have been the

targets of intensive intelligence efforts."

Mr. Smith said foreign agents, often posing as businessmen, diplomats or journalists, frequently initiate contact with U.S. firms engaged in defense work by requesting innocuous information. Later, an attempt is made to obtain more sensitive information in return for a substantial cash payment.

Last year, a Belgian businessman was charged with offering up to \$500,000 to employees of a computer firm in return for sensitive computer programs sought by the Soviet Union. In another case, a man posing as an exporter was convicted in California last year for shipping 50 high-energy laser mirrors to the Soviet Union in violation of a ban on such shipments.

Last week in Los Angeles, a Polish trading company official was sentenced to life in prison following his conviction on charges of purchasing classified documents from an employee of a major defense contractor.

One measure of the increase of foreign agents in the United States, Mr. Smith said, is the expanded number of legitimate foreign visitors among whom agents can easily be operate.

For example, he said about one-third of the Soviet bloc personnel assigned here on diplomatic missions are believed to be full-time intelligence agents. The number of such individuals—most of whom are assigned to embassies, consulates or the United Nations—has increased 400 percent over the last 12 years.